

Special Supplemental Food Program for Women, Infants, and Children (WIC)

Department of Health and Social Services - Program 18

I. PROGRAM OBJECTIVES

The objective of the Special Supplemental Food Program for Women, Infant, and Children (WIC) is to improve the health and nutritional status of low income pregnant, breast-feeding and postpartum women, as well as infants and children up to age five.

II PROGRAM PROCEDURES

Funds are appropriated annually to the Department of Health and Social Services, Division of Public Health by the United States Department of Agriculture. WIC is 100% federally funded. The Department of Health and Social Services issues grants to nonprofit organizations to deliver services to eligible clients. In order for a client to be eligible for WIC services, the applicant must be determined to be at financial and nutritional risk. Clients are issued WIC warrants to purchase specific, nutritious foods. The local agency issues the warrants and provides nutrition education information and health care referrals to the client.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICE ALLOWED OR UNALLOWED

Compliance Requirements

Funds must be expended for client services, nutrition education, breastfeeding promotion and for administrative costs incurred by the agency. Cost categories necessary to sustain the services are identified in the approved budget and special conditions.

Suggested Audit Procedures

Review:

1. Contract or final Notification of Grant Award (NGA) including all conditions;
2. Grant/contract revisions and related transmittal letters;
3. Licenses, certifications, approvals and status of private nonprofit corporation if applicable;
4. Budget documents including final revised budget and budget narrative; and

Test financial and related records to determine that funds expended were for purposes specified in the grant/contract.

Compliance Requirements

Costs allowed or unallowed under this program are determined by 7 CFR Part 246.14 as well as grant regulations 7 AAC 78 and contract or budget document and special conditions.

Suggested Audit Procedures

- Review Federal regulation 7 CFR Part 246.14;
- Review Department of Health and Social Service grant regulations 7 AAC 78 and budget documents;
- Test financial and related records to determine the appropriateness of costs per 7 CFR Part 246.14 and 7 AAC 78; and
- Determine whether expenditures are within the budget limits prescribed by 7 AAC 78.260(e)(1).

B. ELIGIBILITY

Compliance Requirement

The agency must be a nonprofit agency or a political subdivision meeting the requirements of 7 AAC 78.030. The auditor is not expected to perform tests to determine client eligibility.

Suggested Audit Procedure

- Review articles of incorporation or other appropriate documentation, licenses, certifications, and approvals to determine status of agency.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

There are no matching or level of effort requirements.

D. REPORTING REQUIREMENTS

Compliance Requirement

The agency must submit monthly expenditure reports no later than twenty days after the close of each month. Monthly claims for reimbursement must distribute costs among funding categories for all expenditures except personal services and indirect.

Suggested Audit Procedures

- Confirm if such reports are being filed timely;

- That reported revenues and expenditures agree with the agency's general ledger; and
- That expenditures are within the budget limits or contract provisions.

Compliance Requirement

Agency audited financial statements must present a statement of revenue and expenditures for each state grant/contract. Such statement must show, for each state fiscal year grant, the final approved budget by line-item category, actual revenues and expenditures and variance between budgeted and actual revenues and expenditures. Disallowed or questioned costs must be clearly disclosed.

Suggested Audit Procedure

- Review audited financial statements for compliance with above.

Compliance Requirement

The agency must clearly show on its audited financial statement any outstanding liability to the state as payable to the state. This includes unspent grant funds for disallowed costs.

Suggested Audit Procedures

- Determine whether or not the agency has any outstanding liability to the state; and
- Review audited financial statements to ensure proper presentation.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

The agency must act upon any recommendations made by program site review.

Suggested Audit Procedures

- Obtain copy of program site review; and
- Determine if recommendations in the site review are being implemented.

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